



The Clean Water State Revolving Fund and the Clean Water Action Plan

THE 25th anniversary of the Clean Water Act in October of 1997 sparked the development of the Clean Water Action Plan (CWAP). It was developed to renew the commitments of federal, state, tribal, and local governments and citizens to the goals of the original Clean Water Act, to provide "fishable and swimmable" waters to all Americans.

Although great progress has been made in the last 25 years to eliminate pollution from our nation's waters, water quality problems still exist. States report that about 40 percent of their assessed waters do not meet water quality goals and 1,000 major watersheds still contain moderate to serious water quality problems. A cooperative effort between several federal agencies, including the Environmental Protection Agency (EPA), produced the CWAP to address these problems.

In our ongoing efforts to encourage expanded use of the EPA's Clean Water State Revolving Fund (SRF) to reduce polluted runoff we have set a goal to increase total funding of polluted runoff projects to at least 10 percent annually by 2001. The Clean Water State Revolving Fund provides a powerful funding resource for implementing the Clean Water Action Plan. The SRF is providing close to \$3 billion in annual funding for water quality projects nationwide. By the end of FY 97, the SRF had funded a total of more than \$650 million in nonpoint source and estuary projects around the country. We are working to expand this total through intensified marketing and outreach as well as involvement in initiatives like the CWAP.

Three Levels of Involvement...

THERE are three levels of SRF involvement within the CWAP: the first includes specific SRF commitments listed under CWAP Key Actions; the second includes SRF funded activities that support a Key Action; and the third level contains opportunities for future SRF involvement in planning, program design, funding, or otherwise. These three categories establish an important connection between the SRF and CWAP implementation.

Specific SRF Commitments

The SRF is specifically mentioned in two Key Actions. In support of the Action Plan, we have committed to increase the number and dollar amount of SRF loans used to prevent polluted runoff. In addition, we have committed to increase substantially the number of states using integrated priority setting systems to make funding decisions. Integrated priority setting systems will enable states to direct SRF assistance to a variety of point and nonpoint source projects based on environmental priorities. Under the Action Plan, we are also committed to guiding states on the use of loan funds in support of decentralized sewage management systems.

SRF Activities Supporting CWAP

With a wide array of project eligibilities, innovative uses of the SRF should provide broad based financial support for many Key Actions listed in the Plan. Nonpoint source (NPS) and estuarine activities that have been or can be funded by the SRF include agricultural BMPs, storm water abatement, wetlands restoration and preservation, erosion controls, source water protection, wildlife habitat restoration, and purchases of

conservation easements. Through SRF assistance, these and other activities funded by the SRF may be used to support the Plan's Key Actions to: address beach and shellfish area closings, implement coastal NPS programs, establish conservation buffers on agricultural lands, reduce polluted runoff from animal feeding operations (AFOs), increase the acreage of wetlands, address noncompliance with existing Phase I storm water requirements, and implement source water protection programs.

Opportunities for SRF Involvement

Finally, the SRF will seek involvement in the planning and implementation of various water quality initiatives proposed in the CWAP. Where possible, the SRF may be used as a funding source. The expertise within the SRF program could be utilized to: support the activities of groups involved in the cleanup of watersheds, assist in reviewing the effectiveness of wetlands mitigation banking, help states define watershed restoration priorities, help orient federal programs on a watershed basis and make them more collaborative, and coordinate GPRA goals as related to watershed management to identify opportunities for pooling resources, combining budgets, and reporting accomplishments.

Proposed Activities...

IN support of our commitment to promote and increase the use of integrated priority setting systems, we are conducting regional Funding Framework workshops throughout the year. These workshops will train states in the development and use of integrated priority setting systems to make SRF funding decisions. The workshops will also bring together representatives from the SRF, NPS, estuaries, wetlands and watershed community, making the SRF an important tool in supporting the watershed approach.

To raise awareness of the SRF's vast

resources and encourage the use of loans to support Key Actions of the CWAP, we will reach out to key stakeholders and provide guidance and assistance on revolving fund uses specifically related to the Plan. Anticipated subject areas for fact sheets include: continued use of the SRF for wetlands restoration, funding conservation easements, supporting decentralized sewage management, and funding BMPs to reduce polluted runoff from AFOs. The SRF staff will also seek to be involved in CWAP implementation activities. Suggestions and feedback from the CWAP community on ways to do so are welcome. We will work with the Regions and States and disseminate information to key CWAP stakeholders.□

For more information about the Clean Water State Revolving Fund's role in supporting the Clean Water Action Plan, please contact:

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